



COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AFFAIRS

B-96 KENNETH HAHN HALL OF ADMINISTRATION
500 W. TEMPLE STREET / LOS ANGELES, CALIFORNIA 90012-2706 / (213) 974-1452
<http://consumer-affairs.co.la.ca.us>

MEMBERS OF THE BOARD

GLORIA MOLINA
YVONNE BRATHWAITE BURKE
ZEV YAROSLAVSKY
DON KNABE
MICHAEL D. ANTONOVICH

PASTOR HERRERA, JR.
DIRECTOR

December 17, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**REQUEST FOR TERM EXTENSIONS FOR TWO (2) CABLE TELEVISION
FRANCHISES GRANTED TO CENTURY-TCI CALIFORNIA, L.P., A SUBSIDIARY
OF ADELPHIA COMMUNICATIONS CORPORATION IN THE HACIENDA
HEIGHTS (ORD. NO. 82-0117, AS AMENDED) AND SOUTH WHITTIER (ORD.
NO. 83-0087F, AS AMENDED) UNINCORPORATED AREAS**

(1st, 4th, 5th DISTRICTS) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the amendments to Ordinance No. 82-0117, as amended, and Ordinance No. 83-0087F, as amended, granting an extension of term for the Cable Television Franchises for the Hacienda Heights and South Whittier unincorporated areas, through December 31, 2003, and providing that, under specified conditions, Franchisee will continue to fund non-profit access programming groups through the extension period.
2. Introduce, waive reading and place on your Board's Agenda for adoption the attached ordinances which implement the above recommendation.
3. Find these franchise term extensions are categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1, Section (e), of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15061(b)(3) of the State CEQA Guidelines.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Century-TCI California, L.P., a subsidiary of Adelphia Communications Corporation ("Adelphia") currently provides cable television service to residents in the

unincorporated areas of Los Angeles County, including the Hacienda Heights and South Whittier service areas. Adelphia has requested a renewal of the subject cable television franchises, which currently expire on December 31, 2002. The extension of the current franchise terms through December 31, 2003 allows Los Angeles County to negotiate the renewal of these franchises.

Implementation of Strategic Plan Goals

Approval of this recommendation will assist in implementing the Department's Strategic Plan goals to place emphasis on service delivery and fiscal responsibility. This will ensure the continuation of statutory provided revenue for the County.

FISCAL IMPACT/FINANCING

There will be no cost to the County. These cable television franchises generate revenue to the County. Section 622 (b) of the Cable Act of 1984 (47 U.S.C. §542 (b)) gives a local franchising authority, such as the County, the right to collect franchise fees of no more than five percent (5%) of total gross revenues collected by a cable television franchisee over a 12-month period. The County is collecting the maximum allowable fees and the extensions of these cable television franchises will not effect the collection of these franchise fees.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Office of the County Counsel has reviewed the attached ordinances and approved them as to form.

Under certain conditions, these extension ordinances also will continue Adelphia's funding for two non-profit corporations: Puente Hills Community Programming Corporation for the Hacienda Heights unincorporated areas and the South Whittier Community Programming Corporation for the South Whittier unincorporated area. Adelphia's continued funding to these corporations is subject to the satisfaction of the following conditions by the corporations:

1. A financial audit for the years 1998 through 2002; and
2. A "Report and Action Plan" detailing the management and use of the monies already contributed, and a budget and plan for the use of the monies to be paid under the terms of this extension ordinance; and
3. A plan and report of activities that demonstrates that the corporations are actively pursuing sponsorship opportunities (other sources of funding or in-kind services)(applicable to Puente Hills Community Programming Corporation only), and

4. A plan and report that demonstrates that the corporations are actively pursuing the goals set forth in their Mission Statements.

Upon the determination of the Director, Department of Consumer Affairs, that the above conditions have been met, Adelphia will be obligated to continue funding the corporations. However, should the corporations not satisfy the conditions, as determined by the Director, Department of Consumer Affairs, then Adelphia will have no obligation to provide funding to the corporations.

ENVIRONMENTAL DOCUMENTATION

The term extension of these cable television franchises are categorically exempt under CEQA pursuant to Class 1, Section (e) of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15061(b)(3) of the State CEQA Guidelines.

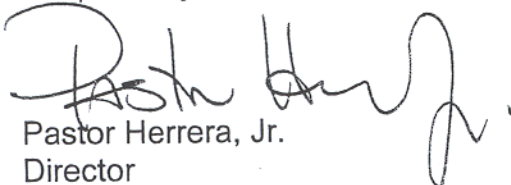
IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current services.

CONCLUSION:

It is requested that the Executive Office-Clerk of the Board notify Mr. Laurence Windsor, Regional Government Affairs Manager, Adelphia Communications Corporation, 2939 Nebraska Avenue, Santa Monica, CA 90402, County Counsel, the Department of Public Works, the Auditor-Controller, and the Department of Consumer Affairs, Cable Television Franchising Division of the Board's action in this matter.

Respectfully submitted,


Pastor Herrera, Jr.
Director

PHJ:FT:EL

Attachments (5)

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
Auditor-Controller

The Honorable Board of Supervisors
December 17, 2002
Page 4 of 4

County Counsel
Department of Public Works
Internal Services Department

F:\USERS\Cable\Active Projects\Extensions\Board Letters\Adelphia Franchises Extension Board Letter to December
2003.doc

So Whittier

ANALYSIS

This ordinance extends through December 31, 2003, a franchise to operate a cable television system or systems and to provide cable television service in the South Whittier unincorporated area, granted by Ordinance No. 83-0087F, as amended, to Century-TCI California, L.P., a subsidiary of Adelphia Communications Corporation ("Franchisee"). The ordinance also provides that, under specified conditions, Franchisee will continue to fund a non-profit, access programming group through the extension period.

LLOYD W. PELLMAN
County Counsel

By



LILLIAN D. SALINGER
Deputy County Counsel
Public Works Division

LDS:jn

11/7/02 (requested)

11/7/02 (revised)

ORDINANCE NO. _____

An ordinance extending through December 31, 2003, a franchise to provide cable television service in the South Whittier unincorporated area, granted to Century-TCI California, L.P., a subsidiary of Adelphia Communications Corporation ("Franchisee"), and providing that, under specified conditions, Franchisee will continue to fund a non-profit, access programming group through the extension period.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 1 of Ordinance No. 83-0087F, as amended, is hereby amended to read as follows:

Section 1. Pursuant to Section 53066 of the Government Code of the State of California, the right, privilege, and franchise is granted to Century-TCI California, L.P., a subsidiary of Adelphia Communications Corporation ("Franchisee"), through December 31, 20023, to construct, reconstruct, maintain, and to operate a Cable Television System (hereinafter called "System") in the unincorporated Service Area of the County of Los Angeles, described in Section 2 below, and to construct, reconstruct, maintain, operate, renew, repair, and remove in this Service Area, radio and television signal transmission lines and cables and all appurtenances and/or service connections (hereinafter jointly referred to as "Facilities") which are necessary or convenient for the provision of a System. Said grant is subject to the faithful performance and observance by Franchisee of all the terms and conditions herein.

SECTION 2. Section 5.F of Ordinance No. 83-0087F, as amended, is hereby amended to read as follows:

F. Within six (6) months after the effective date of the ordinance granting the franchise, Franchisee shall form a California non-profit, access programming corporation for the following purposes:

1. Develop public access policies to be managed and implemented by Franchisee.
2. Encourage use of cable television by individuals, groups and organizations in the franchise service area, without discrimination, as provided in subsection B of this Section.
3. Administer grants to assist individuals and community groups in the franchise area in the greatest possible use of the System.
4. Act as an advisory committee for the purposes of developing, promoting and supervising community programming and related activities.

Said corporation shall have an eleven (11) member Board of Directors composed as follows: one (1) member appointed by the South Whittier School District Board of Trustees, one (1) member appointed by the East Whittier School District Board of Trustees, one (1) member appointed by the Lowell Joint School District Board of Trustees, one (1) member appointed by the Whittier Union High School District Board of Trustees, and two (2) members appointed from the Landowners' Associations. In the event the Landowners' Association is not in existence, then two (2) members shall be

appointed by a comparable group or organization, if available. If not so available, the Los Angeles County Supervisor, First District, shall appoint two (2) additional members. Four (4) members shall be appointed by the Los Angeles County Supervisor, First District, and one (1) member shall be appointed by the Franchisee.

Franchisee shall fund the non-profit corporation in the following amounts:

1. Twenty-five thousand dollars (\$25,000.00) per year for the first five years of the franchise term.
2. Fifty thousand dollars (\$50,000.00) per year for the second five years of the franchise term.
3. Seventy-five thousand dollars (\$75,000.00) per year for the last five years of the franchise term.
4. Seventy-five thousand dollars (\$75,000.00) for the extension period beginning July 1, 1998, and ending on June 30, 1999.
 - a. On or before July 15, 1998, Franchisee shall make the payment of seventy-five thousand dollars (\$75,000.00) required by this Section 5.F for the extension period ending on June 30, 1999, to the South Whittier Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county.

5. Seventy-five thousand dollars (\$75,000.00) for the first twelve (12) months of the eighteen- (18) month extension period beginning July 1, 1999, and ending on December 31, 2000.

a. On or before July 15, 1999, Franchisee shall make the payment of the seventy-five thousand dollars (\$75,000.00) required by this Section 5.F for the first twelve (12) months of the eighteen- (18) month extension ending on December 31, 2000, to the South Whittier Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county.

6. Seventy-five thousand dollars (\$75,000.00) for the last six (6) months of the eighteen- (18) month extension period beginning July 1, 1999, and ending on December 31, 2000.

a. On or before July 15, 2000, Franchisee shall make the payment of seventy-five thousand dollars (\$75,000.00) required by this Section 5.F for the last six (6) months of the eighteen- (18) month extension period ending on December 31, 2000, to the South Whittier Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county. If the franchise is renewed, or an additional extension of the existing franchise is granted beyond December 31, 2000, Franchisee will not be required to provide an additional payment for the next six- (6) month period beginning January 1, 2001, and ending on June 30, 2001.

7. Thirty-seven thousand five hundred dollars (\$37,500.00) for the last six (6) months of the twelve- (12) month extension period beginning January 1, 2001, and ending on December 31, 2002.

a. On or before July 15, 2001, Franchisee shall make the payment of thirty-seven thousand five hundred dollars (\$37,500.00) required by this Section 5.F for the last six (6) months of the twelve- (12) month extension period ending on December 31, 2001, to the South Whittier Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county.

8. For the three month extension period commencing January 1, 2002, Franchisee shall make a payment of eighteen thousand seven hundred and fifty dollars (\$18,750.00) to the South Whittier Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county payable on January 15, 2002.

9. For the nine-month extension period commencing April 1, 2002, Franchisee shall make a payment of fifteen thousand three hundred dollars (\$15,300.00) to the South Whittier Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county payable on April 15, 2002.

10. Subject to the full and complete satisfaction of the conditions set forth below in subsection (c), as determined by the Director, Department of Consumer Affairs in accordance with subsection (d), below, nineteen thousand three hundred seventy-six dollars (\$19,376.00), for the extension period January 1, 2003, through December 31, 2003, to the South Whittier Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county, payable in two installments.

a. The first installment of nine thousand six hundred eighty-eight dollars (\$9,688.00) to be paid no later than thirty (30) days after the full and complete satisfaction by the South Whittier Community Programming Corporation of the conditions set forth in subsection (c) below.

b. The second installment of nine thousand six hundred eighty-eight dollars (\$9,688.00) to be paid no later than June 15, 2003, or one hundred eighty (180) days after the full and complete satisfaction by the South Whittier Community Programming Corporation of the conditions set forth in subsection (c) below, whichever date is later.

c. The county shall use its best efforts to request and cause the South Whittier Community Programming Corporation to provide each of the following:

(i) A financial audit of the South Whittier Community Programming Corporation to be delivered to the Director, Department of Consumer Affairs. This financial audit will be paid for by the South Whittier Community

Programming Corporation and conducted by an independent auditor. The financial audit shall cover the calendar years 1998 through 2002 and shall conform to generally accepted audit standards, and;

(ii) A "Report and Action Plan" to be delivered to the Director, Department of Consumer Affairs, that fully details the activities of the South Whittier Community Programming Corporation and which includes but is not limited to:

(1) A report on the management and use of monies already contributed to the corporation pursuant to this Section 5.F;

(2) A budget and plan for use of the monies to be paid by Franchisee pursuant to this subsection 5.F.10; and

(3) A plan and report that demonstrate that the corporation is pursuing the goals set forth in its Mission Statement "to assist residents and organizations to communicate information, exchange ideas, and provide entertainment through the medium of community television."

d. The conditions in subsection (c), above, will be deemed satisfied upon the reasonable determination by the Director, Department of Consumer Affairs, that:

(i) The financial audit and "Report and Action Plan" referenced in subsection (c), above, have been provided to the Director by the South Whittier Community Programming Corporation; and

(ii) The financial audit and "Report and Action Plan"
adequately contain the information specified in subsection (c).
Upon the determination by the Director that the conditions specified in subsection (c),
above, have been met, he shall send to Franchisee a "Notice to Pay" letter that shall
obligate Franchisee to make the payments as specified in this subsection 5.F.10.


e. Should the South Whittier Community Programming
Corporation fail to meet the conditions specified in subsection (c), above, as determined
by the Director in accordance with subsection (d), above, during the extension period
January 1, 2003, through December 31, 2003, Franchisee will have no obligation to
make the payments specified in this subsection 5.F.10.

SECTION 3. The operative date of this franchise extension shall be
January 1, 2003.

ANALYSIS

This ordinance extends through December 31, 2003, a franchise to operate a cable television system or systems and to provide cable television service in the Hacienda Heights unincorporated areas, granted by Ordinance No. 82-0117F, as amended, to Century-TCI California, L.P., a subsidiary of Adelphia Communications Corporation ("Franchisee"). The ordinance also provides that, under specified conditions, Franchisee will continue to fund a non-profit, access programming group through the extension period.

LLOYD W. PELLMAN
County Counsel

By 
LILLIAN D. SALINGER
Deputy County Counsel
Public Works Division

LDS:jn

11/7/02 (requested)

11/7/02 (revised)

ORDINANCE NO. _____

An ordinance extending through December 31, 2003, a franchise to provide cable television service in the Hacienda Heights unincorporated areas, granted to Century-TCI California, L.P., a subsidiary of Adelphia Communications Corporation ("Franchisee"), and providing that, under specified conditions, Franchisee will continue to fund a non-profit, access programming group through the extension period.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 1 of Ordinance No. 82-0117F, as amended, is hereby amended to read as follows:

Section 1. Pursuant to Section 53066 of the Government Code of the State of California, the right, privilege, and franchise is granted to Century-TCI California, L.P., a subsidiary of Adelphia Communications Corporation ("Franchisee"), through December 31, 20023, to construct, reconstruct, maintain, and to operate a Cable Television System (hereinafter called "System") in the unincorporated Service Areas of the County of Los Angeles, described in Section 2 below, and to construct, reconstruct, maintain, operate, renew, repair, and remove in these Service Areas, radio and television signal transmission lines and cables and all appurtenances and/or service connections (hereinafter jointly referred to as "Facilities") which are necessary or convenient for the provision of a System. Said grant is subject to the faithful performance and observance by Franchisee of all the terms and conditions herein.

SECTION 2. Section 5.E of Ordinance No. 82-0117F, as amended, is hereby amended to read as follows:

E. Within six (6) months after the effective date of the ordinance granting the franchise, Franchisee shall form a California non-profit, access programming corporation for the following purposes:

1. Develop public access policies to be managed and implemented by Franchisee.
2. Encourage use of cable television by individuals, groups and organizations in the Hacienda Heights area, without discrimination.
3. Administer grants to assist individuals and community groups in the franchise areas in the greatest possible use of the System.

Franchisee shall fund the non-profit corporation in the following amounts:

1. One hundred thousand dollars (\$100,000.00) per year for the first five years of the franchise term.
2. One hundred twenty-five thousand dollars (\$125,000.00) per year for the second five years of the franchise term.
3. One hundred fifty thousand dollars (\$150,000.00) per year for the third five years of the franchise term.
4. One hundred fifty thousand dollars (\$150,000.00) for the extension period beginning after the expiration of the third five-year term denoted above and ending on June 30, 1998.

a. Franchisee shall make the payment required by this Section 5.E for the extension period ending on June 30, 1998, to the Puente Hills Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county, pursuant to the following schedule:

(i) Seventy-five thousand dollars (\$75,000.00) on or before September 15, 1997.

(ii) Seventy-five thousand dollars (\$75,000.00) on or before December 31, 1997.

5. One hundred fifty thousand dollars (\$150,000.00) for the extension period beginning on July 1, 1998, and ending on June 30, 1999.

a. On or before July 15, 1998, Franchisee shall make the payment of one hundred fifty thousand dollars (\$150,000.00) required by this Section 5.E for the extension period ending on June 30, 1999, to the Puente Hills Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county.

6. One hundred fifty thousand dollars (\$150,000.00) for the first twelve (12) months of the eighteen- (18) month extension period beginning on July 1, 1999, and ending on December 31, 2000.

a. On or before July 15, 1999, Franchisee shall make the payment of the one hundred fifty thousand dollars (\$150,000.00) required by this Section 5.E for the first twelve (12) months of the eighteen- (18) month extension period ending on December 31, 2000, to the Puente Hills Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county.

7. One hundred fifty thousand dollars (\$150,000.00) for the last six (6) months of the eighteen- (18) month extension period beginning on July 1, 1999, and ending on December 31, 2000.

a. On or before July 15, 2000, Franchisee shall make the payment of one hundred fifty thousand dollars (\$150,000.00) required by this Section 5.E for the last six (6) months of the eighteen- (18) month extension period ending on December 31, 2000, to the Puente Hills Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county. If the franchise is renewed, or an additional extension of the existing franchise is granted beyond December 31, 2000, Franchisee will not be required to provide an additional payment for the six- (6) month period beginning January 1, 2001, and ending on June 30, 2001.

8. Seventy-five thousand dollars (\$75,000.00) for the last six (6) months of the twelve- (12) month extension period beginning on January 1, 2001, and ending on December 31, 2001.

a. On or before July 15, 2001, Franchisee shall make the payment of seventy-five thousand dollars (\$75,000.00) required by this Section 5.E for the last six (6) months of the twelve- (12) month extension period ending on December 31, 2001, to the Puente Hills Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county.

9. Thirty-seven thousand five hundred dollars (\$37,500.00) for the extension period January 1, 2002, through March 31, 2002, to the Puente Hills Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county, payable by January 15, 2002.

10. Thirty-seven thousand five hundred dollars (\$37,500.00) for the extension period April 1, 2002, through December 31, 2002, to the Puente Hills Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county, payable by April 15, 2002.

11. Subject to the full and complete satisfaction of the conditions set forth below in subsection (c), as determined by the Director, Department of Consumer Affairs in accordance with subsection (d), below, forty-six thousand one hundred eight dollars (\$46,108.00), for the extension period January 1, 2003, through December 31, 2003, to the Puente Hills Community Programming Corporation, a previously established non-profit, access programming corporation, or a successor non-profit, access programming corporation acceptable to the county, payable in two installments.

a. The first installment of twenty-three thousand fifty-four dollars (\$23,054.00) to be paid no later than thirty (30) days after the full and complete satisfaction by the Puente Hills Community Programming Corporation of the conditions set forth in subsection (c) below.

b. The second installment of twenty-three thousand fifty-four dollars (\$23,054.00) to be paid no later than June 15, 2003, or one hundred eighty (180) days after the full and complete satisfaction by the Puente Hills Community Programming Corporation of the conditions set forth in subsection (c) below, whichever date is later.

c. The county shall use its best efforts to request and cause the Puente Hills Community Programming Corporation to provide the following:

(i) A financial audit of the Puente Hills Community Programming Corporation to be delivered to the Director, Department of Consumer

Affairs. This financial audit will be paid for by the Puente Hills Community Programming Corporation and conducted by an independent auditor. The financial audit shall cover the calendar years 1998 through 2002 and shall conform to generally accepted audit standards, and;

(ii) A "Report and Action Plan" to be delivered to the Director, Department of Consumer Affairs, that fully details the activities of the Puente Hills Community Programming Corporation and which includes but is not limited to:

(1) A report on the management and use of monies already contributed to the corporation pursuant to this Section 5.E;

(2) A budget and plan for use of the monies to be paid by Franchisee pursuant to this subsection 5.E.11;

(3) A plan and report of activities that demonstrate that the corporation is actively pursuing a sponsorship program pursuant to Article VIII, Section 8.04, of the corporation's bylaws; and

(4) A plan and report that demonstrate that the corporation is pursuing the goals set forth in the Mission Statement of its bylaws "to educate, facilitate and provide a community voice for the members of our franchised area."

d. The conditions in subsection (c), above, will be deemed satisfied upon the reasonable determination by the Director, Department of Consumer Affairs, that:

(i) The financial audit and "Report and Action Plan" referenced in subsection (c), above, have been provided to the Director by the Puente Hills Community Programming Corporation; and

(ii) The financial audit and "Report and Action Plan" adequately contain the information specified in subsection (c).

Upon the determination by the Director that the conditions specified in subsection (c), above, have been met, he shall send to Franchisee a "Notice to Pay" letter that shall obligate Franchisee to make the payments as specified in this subsection 5.E.11.

e. Should the Puente Hills Community Programming Corporation fail to meet the conditions specified in subsection (c), above, as determined by the Director in accordance with subsection (d), above, during the extension period January 1, 2003, through December 31, 2003, Franchisee will have no obligation to make the payments specified in this subsection 5.E.11.

SECTION 3. The operative date of this franchise extension shall be January 1, 2003.

[Adelphia-Hacienda HeightsLS]